



**Gníomhaireacht Bainistíochta an Chisteáin Náisiúnta
National Treasury Management Agency**

**MINUTES OF MEETING OF THE
NATIONAL TREASURY MANAGEMENT AGENCY
HELD AT TECHNOLOGICAL UNIVERSITY (TU) DUBLIN, GRANGEGORMAN CAMPUS
AT 8AM ON 29 NOVEMBER 2022**

PRESENT: Maeve Carton, Chairperson
Brian O’Kelly
David Moloney
Frank O’Connor
Gerardine Jones
John Hogan
Martin Murphy
Rachael Ingle
Susan Webb

IN ATTENDANCE: Elaine Hudson, Agency Secretary
Anastasia-Ilektra Sakellariou, Senior Agency Secretariat Officer
Susan O’Halloran, Chief Legal Officer (CLO)
Ian Black, NTMA Chief Financial Operating Officer (CFOO)
Dave McEvoy, Director, FDM (Item 5 only)
Aisling Synnott, Deputy Director, FDM (Item 5.1 only)
Anthony Linehan, Deputy Director, FDM (Items 5.1 and 5.2 only)
Alan Mahon, Head of Fiscal Debt Services (Item 5.1 only)
Murray McCarter, Head of Retail Debt (Item 5.2 only)
Alison Hodge, Head of NTMA Legal Unit (Item 5.2 only)
Fergal Power, Head of Finance (Item 6 only)
Karen Toal, Senior Manager – Financial Reporting (Item 6 only)
Nick Ashmore, Director, ISIF (Item 7.3 only)
Donal Steele, Head of Corporate Procurement and Facilities (Item 9.2 only)
This has been redacted pursuant to Section 37(1) of the FOI Act 2014.

1. NOTICE AND QUORUM

The Chairperson noted that notice of the meeting and of the nature of the business to be conducted had been given to all members entitled to attend the meeting and a quorum was present.

Prior to the meeting, the Agency received a welcome introduction and a brief overview of the history and facilities of the Grangegorman Campus of the Technological University Dublin (TUD) from Prof. David Fitzgerald, President TUD. The Agency thanked Prof. Fitzgerald for hosting the Agency meeting/Strategy Session.

2. DECLARATIONS OF INTEREST

For the purposes of Section 13A of the National Treasury Management Agency Act 1990 (as amended) and Section 17 of the Ethics in Public Office Act 1995, there were no material interests declared by members in the business to be transacted at the meeting.

3. MINUTES AND MATTERS ARISING

The Chairperson noted that draft minutes of the meeting of 27 September 2022 had been circulated to the members in advance of the meeting. IT WAS RESOLVED that the minutes be approved and that they be signed by the Chairperson.

The Committee noted the status of the matters arising from previous meetings as set out in the note circulated with the meeting papers. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

4. CHIEF EXECUTIVE'S REPORT

The Chief Executive presented his Report. He provided an update on various matters including, *inter alia*, the recent ISIF Directed Portfolio transfer of €397m sale proceeds (arising from an AIB share institutional placing) back to the Exchequer and NewERA's on-going engagement with the relevant Commercial Semi-State Bodies (CSBs) in respect of the Climate Action Framework. He noted the recent Internal Audit review of the NTMA's hybrid working arrangements, also covered under the Audit and Risk Committee report. The Agency noted the report, as presented.

The Agency questioned the Chief Executive on various aspects of the Report including, **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

5. FDM UPDATE

5.1. FDM Funding Plan

The FDM representatives presented the proposed 2023 Funding Plan, outlining the key assumptions underlying same. They noted, *inter alia*, the emerging 2022 fiscal position was ahead of expectations, with a small Exchequer surplus forecast in Budget 2023 (though a larger surplus now seems likely) and year-end cash balances likely to be in excess of €20bn. While it was acknowledged that the wider macro-economic outlook was deteriorating, from a debt funding perspective there were several mitigants in place to ameliorate same (including strong cash balances, long average life, limited issuance, and low average cost of debt). **This has been redacted pursuant to Sections 30(1)(b), 40(1)(a) as applies to 40(2)(d) of the FOI Act 2014.**

The Agency reviewed the Funding Plan noting, *inter alia*, the proposed 2023 nominal bond funding range¹ (€7bn to €11bn). **This has been redacted pursuant to Sections 30(1)(b), 40(1)(a) as applies to 40(2)(d) of the FOI Act 2014.** Following due consideration, IT WAS RESOLVED that the 2023 Funding Plan i.e., a nominal bond funding range of €7bn to €11bn **This has been redacted pursuant to Sections 30(1)(b), 40(1)(a) as applies to 40(2)(d) of the FOI Act 2014** be approved. Management was required to revert to the Agency for approval in the event that total new bond funding was expected to be outside these parameters.

¹**This has been redacted pursuant to Sections 30(1)(b), 40(1)(a) as applies to 40(2)(d) of the FOI Act 2014.**

5.2. State Savings Contract Renewal

The FDM Representatives and NTMA Head of Legal provided an overview of the proposed new State Savings Agreements with An Post and the Prize Bond Company (the Agents), noting that the current terms were due to expire at year-end **This has been redacted pursuant to Sections 30(1)(b) of the FOI Act 2014.**

Director, FDM Reflection

The Director, FDM provided his reflections on his new role, including an overview of some of his challenges and key priorities for the FDM unit, noting that he was well supported in his transition into the role by the Chief Executive, the NTMA Executive Management Team and the wider FDM team.

6. EXPENDITURE BUDGET

6.1. Budget Outturn 2022

The Finance Representatives briefed the Agency on the NTMA Administration Account and Ireland Strategic Investment Fund ("ISIF") 2022 expenditure out-turns for the ten-month period ended 31 October 2022 and full year forecast for 2022 versus the 2022 budgets approved by the Agency at its November 2021 meeting. The Agency noted the update as presented.

This has been redacted pursuant to Sections 30(1)(b) of the FOI Act 2014.

6.2. NTMA & ISIF Expenditure Budgets 2023

The Finance representatives presented the NTMA and ISIF Expenditure Budgets 2023, noting that the budgets for NTMA ex SCA and SCA were presented separately. The Deputy Director - Finance noted the proposed NTMA budget was broadly in line with the budget assumptions presented to the Agency at its September meeting.

The Agency reviewed the NTMA and ISIF Expenditure Budgets 2023 as circulated and questioned the Finance representatives on various aspects of same. In response to a question from the Agency, the CFOO outlined the budgetary assumptions in respect of Treasury Dock/ premises rental costs and the first floor space (vacated by NAMA). The CFOO also briefed the Agency on progress in relation to sub-let of the first floor space.

This has been redacted pursuant to Sections 30(1)(b) of the FOI Act 2014. The Agency also discussed the ISIF budget, noting the rationale for the slight increase in the 2023 budget against the budget assumptions considered by the Agency at its September meeting

After further discussion, and **This has been redacted pursuant to Sections 30(1)(b) of the FOI Act 2014**, the Agency **RESOLVED TO APPROVE** the NTMA and ISIF Expenditure Budgets in respect of the 2023 financial year.

7. COMMITTEE REPORTS

7.1. Audit and Risk Committee

The Audit & Risk Committee Chairperson, Gerardine Jones, presented the report of the Committee meeting held on 22 November. She noted that the Committee reviewed a number of reports including, *inter alia*, the 2023 Internal Audit, Risk management and Compliance plans and, further to a Committee request, received a briefing from FDM representatives on the implications of the changing macro-economic/monetary policy environment for FDM's Long Term Funding Risk. She reported that the Committee met with members of the NTMA's new Office of the Comptroller and

Auditor General (OC&AG) Audit team, who presented their Audit Planning memorandum in respect of their audit of the 2022 financial statements. She also noted the Committee's review of a number of Internal Audit reports including, among other things, the report in relation to the Review of the Hybrid Working. The Agency noted the Audit and Risk Committee report, as presented.

The Agency discussed the report and, in relation to the NTMA's hybrid working arrangements in particular, discussed the current staff guidance in respect of the minimum in-office attendance requirements, and current market trends in this regard. The Chief Executive noted the NTMA Executive Management team was monitoring their hybrid working arrangements and advised he would keep the Agency updated on same.

7.2. SCA Strategy Committee

The SCA Strategy Committee Chairperson, Martin Murphy, presented the report of the Strategy Committee meeting held on 16 November. **This has been redacted pursuant to Schedule 1 Part 1, (w)(ii) of the FOI Act 2014.**

7.3. Investment Committee

The Investment Committee Chairperson, Susan Webb, presented the reports of the Committee meetings held on 24 October and 28 November. The Agency noted, *inter alia*, the brief overview of the transactions approved by the Committee and the summaries of the various reports and investment updates, as presented to the Committee. The Agency also noted the preliminary unaudited returns of ISIF's Irish Portfolio year to date, noting they reflected the recent market conditions, which had seen certain valuations fall across the Portfolio.

The Agency noted that the Committee had reviewed its Terms of Reference and was proposing a small number of amendments. On the recommendation of the Investment Committee, the Agency **RESOLVED TO APPROVE** the updated Investment Committee Terms of Reference, as presented.

8. COMMITTEE MATTERS

8.1. SCA Strategy Committee Review

The SCA Strategy Committee Chairperson, Martin Murphy, presented the paper to the Agency, noting, in particular, that in advance of the refresh of the Committee membership due next August, consideration had been given to the Committee's succession planning and the Committee's role and effectiveness of purpose. **This has been redacted pursuant to Section 29(1) of the FOI Act 2014.** He outlined a number of potential options which would be considered with regard to the future structure of the Committee arising from discussions with the Agency Chairperson, NTMA Chief Executive and Director, SCA, adding that it was proposed that an Agency-led Working Group would be established to consider the best functional model for a Committee structure to provide advice, guidance and challenge to the SCA over the years ahead.

Following discussion, the Agency **RESOLVED TO APPROVE** the establishment of an Agency-led Working Group to consider the most appropriate functional model and terms of reference for a Committee structure to provide advice, guidance and challenge to the SCA over the years ahead.

8.2. Committee Appointments

The Agency Chairperson noted, in light of upcoming changes at Board level and certain changes at Committee level, including changes to take account of the upcoming expiry of the terms of office of some members, it was proposed to re-consider Committee membership by written resolution or by an out-of-course Agency meeting as required in early course **[Action]**.

9. GOVERNANCE

9.1. National Reserve Fund – Annual Investment Plan

The Agency reviewed the Annual Investment Plan for the National Surplus (Exceptional Contingencies) Reserve Fund, as proposed by the Chief Executive. It was noted that in the event that further tranches of capital were received into the Fund from the Exchequer, the NTMA would consider potential alternative portfolio construction options for the Fund and revert to the Agency in due course to recommend changes to the Annual Investment Plan.

After due consideration, the Agency **RESOLVED TO APPROVE** the National Reserve Fund Annual Investment Plan, as presented.

9.2. Directors and Officers (D&O) Liability Insurance Policy Update

The Head of Corporate Procurement and Facilities and **This has been redacted pursuant to Section 30(1)(b) and 36(1)(b) of the FOI Act 2014**, presented an update on the Directors and Officers (D&O) Liability Insurance policy held by NTMA, noting that the Policy was due for renewal on 1st January 2023. They briefed the Agency on the key objectives for the 2023 D&O Liability Insurance policy renewal and provided an overview of general market trends. **This has been redacted pursuant to Section 30(1)(b) and 36(1)(b) of the FOI Act 2014.**

Update on Chairperson's Annual Meeting with the Minister

The Chairperson briefed the Agency on her meeting with the Minister for Finance on 24 November (as required under the Code of Practice for the Governance of State Bodies). She noted that the Minister was briefed (by both the Chairperson and Chief Executive) on the NTMA's key strategic priorities as set out in the Chief Executive's report.

9.3. NTMA Corporate Strategy: Part 2

The Agency noted the NTMA Corporate Strategy: Part 2 - Business Unit and Corporate Function Goals (including annual targets / deliverables 2023), as presented.

IT WAS RESOLVED that the NTMA Corporate Strategy: Part 2 - Business Unit and Corporate Function Goals (including annual targets / deliverables 2023) be approved.

9.4. Delegated Matters Notifiable to the Agency

The Agency noted the Report on Delegated Matters Notifiable to the Agency, as presented.

9.5. Agency Workplan 2021 & 2022

The Agency noted the Workplan for 2023, as presented noting that it had been updated, as appropriate, to link the relevant strategy papers to the Overarching Goal and the three Enabling Pillars. The Agency's progress against the 2022 Workplan was also noted.

10. AOB

The Agency noted that, following the implementation of the Protected Disclosures (Amendment) Act 2022², the NTMA Protected Disclosures Policy, as approved by the Audit and Risk Committee in September 2022 would become effective on 1st January 2023.

Noting the expiry of the Chairperson's term of office as Agency member and Chair on 22 December 2022 and that this was her final Agency meeting, the Chief Executive, on behalf of the Agency and NTMA staff, thanked the Chairperson for her significant contribution to the NTMA. He expressed the Board's appreciation for her commitment, leadership and wise counsel over the previous eight years. The Chairperson thanked the Agency members for their contribution and wished the incoming Chairperson, Susan Webb, every success in the role.

There being no other items under AOB, the Chairperson brought the meeting to a close.

11. NON-EXECUTIVE SESSION

The Agency met in private session. This item was minuted separately.

Susan Webb
Agency Chairperson
7 February 2023

² The Act transposed the obligations of the EU Whistleblowing Directive (EU 2019/1937).